

## Microeconomics III Producer behavior and monopoly

**Level:** Licence - Second year - L2

**Specialization:** Licence 2 Economics

**Semester:** 3

**Hours:** 18 hours of lectures (CM) and 18 hours of practical work (TD)

**Teacher:** Antoinette BAUJARD (CM) et Federica CERON (TD)

**Contact:** [antoinette.baujard@univ-st-etienne.fr](mailto:antoinette.baujard@univ-st-etienne.fr) ; [federica.ceron@univ-st-etienne.fr](mailto:federica.ceron@univ-st-etienne.fr)

**Course objectives:** This course presents the behavior of the producer in a situation of pure and perfect competition and in a monopoly situation.

It aims to apply the principles of marginal calculation to production decisions, to analyze the strategic choices made by firms, and to understand the impact of technological choices on competition and monopoly. firms' strategic choices, and understand the impact of technological choices on competition and on the economy.

**Course content:** The first part of the course presents the economic analysis of the firm and production technologies: producer, factors of production, production functions, productivity and output measures.

The second part deals with production-related decisions: cost and technology constraints, choice factors or technologies, supply functions and elasticity measures.

The third part deals with the analysis of supply according to whether the economy is in perfect competition, monopoly or monopolistic competition and duopoly.

**Skills developed:** At the end of this course, students should be able to:

- Calculate a supply function, optimize the producer's profit by minimizing costs or by factors of production;
- Identify and use the properties of different production functions;
- Understand the concepts and issues of factor returns and returns to scale, decreasing, constant or increasing.

**Evaluations:**

Continuous assessment comprising two written tests and a group dossier.

**Pre-requisites:**

Mathematics 1 and Mathematics 3

**Bibliography / references**

- Pindyck, R. S., & Daniel L. Rubinfeld (2012). *Microeconomics*. Pearson, Pearson Education.
- Varian, H. R. (2006). *Introduction to microeconomics*. Editions de Boeck.
- Bergstrom, T. C., & Varian, H. R. (2007). *Microeconomics exercises. Volume 1& 2*. Éditions de Boeck.
- Picard, P. (1990). *Éléments de microéconomie: théorie et applications*. Montchrestien.
- Bowles, S. & Halliday, S. 2021. *Microeconomics. Competition, conflict and coordination*. Oxford University Press.
- Press (2022 for the electronic version).